

**REMARKS / ARGUMENTS**

For the convenience of the Examiner and clarity of purpose, Applicant has reprinted below the substance of the Office Action. Applicant's arguments immediately follow in regular font.

2. Claims 36-38, and 42-45 are rejected under 35 U.S.C. 102(e) as being anticipated by Bixenman et al. (US 6,575,246).

*Regarding claims 36, 37* Bixenman et al. discloses an object holding service tool used to actuate a downhole valve that is not associated with the service tool (4:4-6). The tool includes an object holding service tool includes a sleeve 128 having a bore in which the object is slidably and sealingly engaged. The tool is adapted to slidably release the object with sufficient pressure applied to the object to cause a restraining device holding the object to release the object.

*Regarding claim 38*, Bixenman et al. further teaches an isolation string that includes an object activated valve 50 adapted to receive the object 103 from the tool and cause a flow path change in the valve. It is noted that the valve 50 indirectly receives the object via the crossover mechanism 154.

Without acceding to the Office's rejection of claims 36 – 38, Applicant has chosen to amend claim 38 by incorporating therein the limitations from claims 36 and 39. Thus, claims 36 and 39 have been canceled. Applicant submits that claim 38 is now allowable. Reconsideration and withdrawal of this rejection is requested.

*Regarding claims 42, 43, 45*, Bixenman et al. discloses a valve system in a well that comprises an isolation string that includes the following features:

- An upper packer 7.
- An isolation pipe 143 with a operable valve 56 and an object activated valve 50 (it is noted that column 4, lines 4-6 specifically indicates that the above valves can be located anywhere within the gravel packing tool 10 and are not limited to being within the service tool.

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- An object holding service tool (5.45-6.2) coupled to the objected activated valve and adapted to release an object 103 to engage the object activated valve where the object activated valve receives the object from the service tool.

*Regarding claims 44:* The object activated valve includes a piston 148 adapted to at least partially assist in closing the valve.

Without acceding to the Office's rejection of independent claim 42, Applicant has chosen to cancel claims 42, 43 and 44. These amendments overcome the stated rejections. Reconsideration and withdrawal of this rejection is requested.

Without acceding to the Office's rejection of claim 45, Applicant has chosen to amend claim 45 by incorporating therein the limitations from claim 46. Claim 46 has been canceled. Applicant submits that claim 45 is now allowable. These amendments overcome the stated rejections. Reconsideration and withdrawal of these rejections is requested.

3. Claims 1-34, 40, and 41 are allowed.
4. Claims 32, 39, 46, and 47 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Applicant notes that claim 32 depends from allowed claim 31 and, therefore, is not objectionable. Reconsideration and withdrawal of this objection is requested.

As noted above, the limitations of claim 39 have been added to newly-independent claim 38 and claim 39 has been canceled. Similarly, the limitations of claim 46 have been added to independent claim 45, claim 46 has been canceled, and claim 47 has been amended to depend from claim 45. Reconsideration and withdrawal of these objections is requested.

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6. Applicant's arguments filed August 07<sup>th</sup>, 2006 have been fully considered but they are not persuasive.

Applicant has argued that Bixenman et al. does not teach that the bypass valve 50 can be activated by an object released by the service tool.

In response, the examiner notes that the valve 50 is indirectly activated by object 103 which will cause the increase in pressure in the tubing string 8 needed to start the activation of the valve. As noted in column 8, lines 6-11 and 60-67 and column 9, lines 1-3 and 22-25, the bypass valve is activated by a tubing string pressure that is greater than the tubing pressure used to set the packer. This indicates that the ball 103 sitting in the crossover mechanism is what causes the pressure to increase to the point necessary to activate the bypass valve as the tubing string pressure could not be increased without an obstruction of some sort.

Applicant has further argued that bypass valve is not part of the isolation string but rather is disclosed as being part of the service tool and that the claims require that the object activated valve not be part of the service tool. In response, the examiner notes that column 4, lines 4-6 specifically indicate that the bypass valve 50 can be a part of other portions of the apparatus other than the service tool.

Applicant has further argued that Bixenman et al. never teaches that the crossover mechanism 154 can be associated with the isolation string and the components of the crossover mechanism were relied upon by the examiner to teach the components of the object activated valve which is required to not be a portion of the service tool. While the examiner agrees with applicant's argument with respect to claims 31 and 46, with respect to claim 36 the examiner notes that the service tool holds the ball which indirectly causes the activation of the bypass valve which is specifically recited as not needing to be part of the service tool.

With respect to claims 42-45, the examiner notes that the claims do not require that the object activated valve not be part of the service tool nor do the claims include the structure of the valve that would preclude the use of valve 50 to teach the claimed valve.

Applicant does not accede to the Office's characterization or interpretation of its arguments and reserves until a later date its right to challenge this statement.

### **CONCLUSION**

Claims 1 – 34 and 36 – 47 were pending in this application prior to this amendment. Claims 1 – 34, 40 and 41 were allowed; claims 36 – 38 and 42 – 45 were rejected; and claims and 39, 46 and 47 were objected to.

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Claims 37, 38, 45 and 47 have been amended, and claims 35, 36, 39, 42 – 44 and 46 have been canceled. In light of these amendments, Applicant submits that claims 1-34, 37, 38, 40, 41, 45, and 47 are now in condition for allowance and a timely notice of allowance is respectfully requested.

Applicant thanks the Examiner for her consideration and effort on this file. If there are any questions or if additional information is needed, the Examiner is invited to telephone or email the undersigned.

Respectfully submitted,

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